

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-025-01012

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

State BTN

8. Well Number 1

9. OGRID Number

164070

10. Pool name or Wildcat

Bagley, Penn

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-104) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

Paladin Energy Corp.

3. Address of Operator

10290 Monroe Drive, Suite 301, Dallas, Texas 75229

4. Well Location

Unit Letter P : 660 feet from the South line and 660 feet from the East line
Section 34 Township 11-S Range 33-E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4258' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Steel tanks Depth to Groundwater 60' Distance from nearest fresh water well 1/2 mile' Distance from nearest surface water playa-

2000' Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material Synthetic

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: Add Perforations ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/8/2006 - 1/5/2007

R/U Pulling Unit, N/D tree, N/U BOP's. Pull tubing and packer. Perforation from at 10,280-300', Acidized with 1500 gallons 15% HCL, no break down, no flow back, no production. Set CIBP at 10,240'. Perforate Bagley, Penn from 10,172-10,182'. Swab well in, flowed back 25 bbls water, died. Install Rod pumping equipment and put on production with current Penn perforations from 8,682-9,034'.

Initial 24 hr. test on 1/5/2007: 5 BOPD, 97 MCFPD, 59 BWPD.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE David Plaisance TITLE V.P. Exploration & Production DATE 1/17/2007

Type or print name David Plaisance

E-mail address: dplaisance@paladinenergy.com

Telephone No. 214-654-0132

For State Use Only

APPROVED BY: Gay W. Wink TITLE QC FIELD REPRESENTATIVE II/STAFF MANAGER

DATE JAN 29 2007

Conditions of Approval (if any):